

YOUR COMMUNITY IN UNITY

FINANCIAL REPORT

DECEMBER 31, 2005

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FINANCIAL REPORT
DECEMBER 31, 2005**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Your Community in Unity

We have audited the accompanying statement of financial position of Your Community in Unity (a nonprofit organization) as of December 31, 2005, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Your Community in Unity as of December 31, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2006, on our consideration of Your Community in Unity's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Wiggins & Co., PC

Brigham City, Utah
June 20, 2006

YOUR COMMUNITY IN UNITY
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2005

ASSETS

Current Assets

Cash and cash equivalents	\$ 172,120
Accounts receivable	<u>60,887</u>

Total current assets	233,007
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Property, plant and equipment, net	<u>477,130</u>
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Total assets	<u><u>\$ 710,137</u></u>
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LIABILITIES AND NET ASSETS

Liabilities

Current liabilities

Accounts payable	\$ 24,002
Accrued expenses	<u>18,371</u>

Total current liabilities	<u>42,373</u>
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Net Assets

Unrestricted

Undesignated	<u>667,764</u>
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Total net assets	<u>667,764</u>
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Total liabilities and net assets	<u><u>\$ 710,137</u></u>
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The accompanying notes are an integral part of these financial statements.

YOUR COMMUNITY IN UNITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005

Revenue and Other Support	
Contributions	\$ 89,532
Grants and contracts	271,071
Investment income	247
Other income	<u>1,341</u>
Total revenue and other support	<u>362,191</u>
Expenses	
Program expenses	
Domestic violence and social services	332,410
Support Services	
General and administrative	<u>54,325</u>
Total expenses	<u>386,735</u>
Changes in Net Assets	(24,544)
Net Assets, January 1	<u>692,308</u>
Net Assets, December 31	<u><u>\$ 667,764</u></u>

The accompanying notes are an integral part of these financial statements.

YOUR COMMUNITY IN UNITY
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2005

	DFCS	RPEG	Rural VAWA	VAWA	VOCA	VOCA Justice	UDVAC	General & Admin	Other Programs	Total
Payroll	\$ 48,828	\$ 15,857	\$ 34,565	\$ 26,918	\$ 38,509	\$ 11,918	\$ -	\$ 4,913	\$ 20,071	\$ 201,579
Payroll taxes & benefits	5,859	1,902	4,148	3,230	4,621	1,430	-	590	2,408	24,188
Advertising	15	-	-	-	-	-	-	31	401	447
Auto expense	232	-	-	-	-	-	-	-	405	637
Conferences & workshops	-	447	2,154	-	581	-	-	322	4,067	7,571
Dues & subscriptions	30	-	-	-	-	45	25	41	350	491
Depreciation	-	-	-	-	-	-	-	25,458	-	25,458
Grant writing	-	-	-	-	-	-	-	20,040	510	20,550
Insurance	11,808	-	588	-	9,874	6,059	-	(1,752)	-	26,577
Licenses & fees	235	-	-	-	-	-	-	570	-	805
Miscellaneous	-	-	-	-	-	-	-	(277)	1,084	807
Office supplies	272	278	421	-	203	189	-	62	489	1,914
Postage	137	297	129	-	125	115	-	525	99	1,427
Printing	66	545	51	-	28	10	-	-	692	1,392
Professional fees	1,533	392	-	-	-	-	-	1,196	(210)	2,911
Counseling	-	-	14,150	-	-	-	480	-	2,700	17,330
Other program expense	1,754	17	14	-	20	183	351	499	867	3,705
Shelter expense	2,877	-	240	-	409	-	-	1,015	277	4,818
Transitional housing	81	-	9,565	-	-	-	-	-	491	10,137
Security	102	-	40	-	20	11	-	-	26	199
Supplies	193	215	36	-	17	256	-	41	333	1,091
Maintenance	1,976	-	-	-	-	124	-	704	2,578	5,382
Other space costs	-	-	-	-	-	-	-	-	-	-
Telephone/pager	1,270	198	1,130	35	991	596	-	159	934	5,313
Travel/transportaion	296	1,555	5,098	-	1,520	865	(29)	118	3,820	13,243
Utilities	2,434	566	2,084	243	1,057	629	-	70	1,680	8,763
	<u>\$ 79,998</u>	<u>\$ 22,269</u>	<u>\$ 74,413</u>	<u>\$ 30,426</u>	<u>\$ 57,975</u>	<u>\$ 22,430</u>	<u>\$ 827</u>	<u>\$ 54,325</u>	<u>\$ 44,072</u>	<u>\$ 386,735</u>

The accompanying notes are an integral part of these financial statements.

**YOUR COMMUNITY IN UNITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Cash Flows from Operating Activities	
Change in net assets	\$ (24,544)
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation	25,458
(Increase) decrease in operating assets:	
Account receivable	(17,081)
Increase (decrease) in operating liabilities:	
Accounts payable	13,702
Accrued expenses	<u>1,756</u>
Net cash provided by operating activities	<u>(709)</u>
Cash Flows from Investing Activities	
Purchase of property, plant and equipment	<u>(29,576)</u>
Net cash used in investing activities	<u>(29,576)</u>
Net Increase in Cash	(30,285)
Cash and Cash Equivalents, January 1	<u>202,405</u>
Cash and Cash Equivalents, December 31	<u><u>\$ 172,120</u></u>

The accompanying notes are an integral part of these financial statements.

YOUR COMMUNITY IN UNITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization:

Your Community in Unity (YCU), a not-for-profit corporation established under the laws of the State of Utah, operates as a community service organization. YCU is dedicated to providing assistance to those affected by domestic violence or in need of other social services. YCU is supported primarily through contributions and grants from private and governmental entities.

The Significant Accounting Policies are as Follows:

Basis of Accounting:

The financial statements of the YCU have been prepared utilizing the accrual basis of accounting.

Financial Statement Presentation:

YCU adopted Statement of Financial Accounting Standards (SFAS) No. 117, *"Financial Statements of Not-for-Profit Organizations."* Under SFAS No. 117, YCU is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, YCU is required to present a statement of cash flows. The only section of net assets that is used is unrestricted.

Contributions:

YCU also adopted SFAS No. 116, *"Accounting for Contributions Received and Contributions Made,"* whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

**YOUR COMMUNITY IN UNITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

**NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES
(continued)**

Cash and Cash Equivalents:

YCU considers all short-term investments with a maturity of six months or less to be cash and cash equivalents.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property, Equipment, and Improvements:

Property, equipment, and improvements are carried at cost. Depreciation is calculated on the straight-line method over the estimated useful lives of the assets. Donated assets are recorded at fair market value at the time of donation. All items over \$500 are capitalized.

Income Tax Status:

YCU is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 2. PROPERTY, EQUIPMENT, AND IMPROVEMENTS

Property, plant, and equipment consist of the following:

Land	\$ 29,600
Buildings and improvements	546,842
Furniture, fixtures, and equipment	<u>67,114</u>
	643,556
Less accumulated depreciation	<u>(166,426)</u>
	<u>\$ 477,130</u>

**YOUR COMMUNITY IN UNITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

NOTE 3. CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK

YCU maintains cash balances in banks, which are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2005, \$72,120 of the YCU's cash balance was not insured.

NOTE 4. ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Your Community in Unity

We have audited the financial statements of Your Community in Unity (a nonprofit organization) as of and for the year ended December 31, 2005, and have issued our report thereon dated June 20, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Your Community in Unity's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Your Community in Unity's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of Your Community in Unity in the accompanying schedule of findings and recommendations.

This report is intended solely for the information and use of the management, and board of directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wiggins & Co., PC

Brigham City, Utah
June 20, 2006

YOUR COMMUNITY IN UNITY
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2005

POLICIES AND PROCEDURES

Finding:

While performing our testwork on cash, we noted that on the bank reconciliation there are some outstanding checks that are more than one year old.

Recommendation:

We recommend that the Organization implement a procedure to address reconciling items to clear or void outstanding checks in a more timely manner.